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RUEHTU/AMEMBASSY TUNIS PRIORITY 3178
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RUEHJM/AMCONSUL JERUSALEM PRIORITY 6514
RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY
RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY
RHMFIUU/COMSIXTHFLT PRIORITY

UNCLAS TEL AVIV 001075

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STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XXXX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO

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TAGS: [OPRC](#) [KMDR](#) [IS](#)

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key stories in the media:

Ha'aretz, Yediot, and Israel Radio reported that US Defense Secretary Robert Gates will visit Israel next week for a series of

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meetings with PM Ehud Olmert and Defense Minister Amir Peretz on the strategic situation in the Middle East. Ha'aretz's web site reported that, during his visit, Gates may attempt to persuade Israel to ease its objections to the sale of advanced weapons systems to Saudi Arabia and other Gulf states. The visit, which Ha'aretz said is scheduled for April 17, is the first time a US Defense Secretary will be visiting Israel in eight years. Ha'aretz reported that American sources told the daily on Tuesday that the visit was decided and a date finalized, though an official announcement on the matter has not been made public. Ha'aretz wrote that the visit, which comes about a month after Peretz visited Washington, will also deal with bilateral defense ties between the U.S. and Israel.

The Jerusalem Post quoted the Prime Minister's Office as saying that Olmert will block any attempt by Abbas to discuss final status issues when the two leaders meet on Sunday. Citing AP, The Jerusalem Post quoted Palestinian Finance Minister Salam Fayyad as saying on Wednesday in Brussels that the new Palestinian government will need USD 1.33 billion in international aid to "get back on our feet."

Leading media quoted Hamas as saying on Wednesday that a prisoner swap deal for the release of Cpl. Gilad Shalit was "doomed to fail," if Israel demanded that militants "with blood on their hands" be dropped from the Palestinians' list. The Jerusalem Post reported that, as negotiations over the release of Cpl. Gilad Shalit appeared to enter their final lap this week, grave concern was expressed within the Israeli defense establishment on Wednesday over the growing rift within Hamas, which Israeli officials warned could jeopardize the deal and future contacts with the PA. The Jerusalem Post quoted a senior Hamas official as saying on Wednesday that Israel will eventually surrender to Shalit's captors and release hundreds of Palestinian prisoners. The Jerusalem Post also quoted the PA as saying that Israel was responsible for the delay in reaching a prisoner exchange with the Palestinians.

The Jerusalem Post reported that senior Israeli defense officials told the newspaper that Defense Minister Peretz plans to go ahead with the evacuation of settlers from the controversial Hebron building they have occupied, even if Olmert opposes the move. Ha'aretz and other media quoted Attorney General Menachem Mazuz as saying on Wednesday that the settlers should be allowed to petition the High Court of Justice against their eviction. Therefore, Mazuz was quoted as saying that they could not be evacuated immediately. The settlers have 30 days to petition against their eviction. According to Mazuz, the settlers' inhabitation of the house -- which they claim to own after having paid USD 700,000 for it -- cannot be defined as "invasion" and is therefore not subject to immediate eviction. Mazuz had, however, ordered their eviction based on the fact that even if the house were legally acquired, the settlers still required permission from the Israeli Civil Administration to inhabit it. Maariv and other media cited the opinion of half the cabinet members that Defense Minister Peretz cannot make a decision to evacuate the building.

Yediot reported that PM Olmert has decided to continue legal investigations into illegal settler outposts. Yediot quoted Olmert associates as saying that the outposts will be vacated in a matter of weeks. According to the newspaper, Justice Minister Daniel Friedmann will likely head the committee that should ultimately decide on their evacuation.

Ha'aretz and Maariv, and The Jerusalem Post reported that Alon Liel, former director general of the Foreign Ministry, and American-Syrian national Ibrahim (Abe) Suleiman will appear today before the Knesset's Foreign Affairs and Defense Committee. The two will brief the committee members on the secret, unofficial talks they conducted, and on the understandings they reached for a peace agreement between Israel and Syria. Suleiman, who landed in Israel on Tuesday, will become the first Syrian to address a Knesset committee when he briefs the panel on the extent of his connections with the Syrian regime. He will tell the Knesset members about the committee appointed by Syrian President Bashar Assad, which is headed by one of his army generals, to coordinate the talks with Israel. In addition, he will relay the messages he received from Syrian FM Walid Mualeem. Ha'aretz wrote that, in the hearing, Liel

will disclose the content of the reports he allegedly gave to officials in the Foreign Ministry regarding his progress in the talks. Liel also reported to various parties in the Prime Minister's Office when it was headed by former PM Ariel Sharon. Ha'aretz said that, during his stay in Israel, Suleiman told Israeli sources that he intended to clarify to the MKs that "there is a genuine willingness in Damascus to initiate peace talks with Israel, which at the very least requires Israel to test the waters." Ha'aretz reported that, despite Suleiman's interest to meet Israeli officials during his visit, the Foreign Ministry decided against such a move. The ministry's Director General, Aharon Abramovitch, explained that Suleiman's request had been denied "to avoid giving a false impression, as though he were engaged in official talks with the State of Israel." Abramovitch added: "If Syria wanted to conduct official talks, it had other avenues available to it." Ha'aretz reported that the Prime Minister's Office had similar reservations, as it did when the newspaper first exposed the existence of the talks in January.

Leading media quoted Hizbullah Deputy Secretary-General Naim Qassem as saying in an interview with the British Guardian that his organization is preparing for the possibility of a new war with Israel as soon as next summer. The Jerusalem Post quoted Thomas Fuentes, special agent in charge of the FBI's international operations, as saying on Wednesday that the FBI assesses that Hizbullah has not conducted attacks in America out of concern that it would provoke too strong a response and disrupt the organization's fund-raising in the US.

Yediot quoted sources in Jordan as saying that Knesset Member Azmi Bishara has proposed that he return to Israel provided he is not arrested. According to the sources, Israel is not prepared to conclude any deal with him. Yediot reported that Bishara told his friends in Jordan that a kidney condition he suffers from does not allow him to sit in jail. The media reported that his wife and children have come back to Israel.

The Jerusalem Post printed a picture taken Wednesday of visiting US Rep. Gary Ackerman (D-NY) with the wife and mother of abducted IDF soldier Ehud Goldwasser. The photo shows Ackerman displaying signed copies of the House bill supporting calls for the release of the IDF soldiers.

Yediot quoted International Atomic Energy Agency Spokeswoman Melissa Fleming as saying on Wednesday that it will take four to six years for Iran to have the capacity to build its own nuclear bomb. This means, in Fleming's opinion, that there is still time to counter the potential threat by diplomatic efforts. Yediot cited the Israeli intelligence's assessment that Iran would have that capacity in 3-4 years.

Maariv quoted former Mossad head Nahum Admoni as saying that Israel attempted to thwart the construction of a nuclear reactor in Iraq in the 1980s -- after Israel bombed the Osirak reactor in 1981.

Yediot reported that police officers will interrogate billionaire Olmert associates abroad -- Frank Lowie in Australia and Daniel Abrams in the US -- regarding Olmert's alleged intervention in the government tender for the sale of the controlling interest in Bank Leumi, Israel's second-largest bank.

All media reported on Wednesday's series of bombings in Algiers, in which at least 24 people were killed. A local branch of Al-Qaida claimed responsibility for the attacks.

All media reported on a further drop in the rate of the US dollar on the Tel Aviv market (4.107 shekels to a dollar on Wednesday). The media said that a comment by Bank of Israel Governor Stanley Fischer that he will not intervene in the foreign currency market accelerated the decline of the US currency in Israel. Ha'aretz explained that the situation entails no crisis.

Ha'aretz reported that the peace fund established by Yitzhak Rabin and Shimon Peres is voluntarily liquidating its assets.

Ha'aretz reported that, during his recent visit to Israel, conservative American journalist Robert Novak criticized the Bush administration, Olmert, AIPAC and Senator Hillary Rodman Clinton,

but that he found that AIPAC was a suitable interlocutor.

All media reported that on Wednesday IAF warplanes nearly shot down a Continental Airlines aircraft during its approach to Ben Gurion Airport after it lost communications with air controllers.

Ha'aretz reported that the average prison term for convicted traffickers in women last year was 33 months, compared to 54 months in 2005 and a maximum sentence of 16 years.

Maariv cited a claim by Shlomo Taub, the director of a private corporation dealing the restitution of Jewish property, as saying that one fifth of the land in Poland belongs to Jews. The value of the supposedly Jewish-owned property is assessed at USD 35 billion. Maariv also cited a new Google Earth project mapping the Holocaust. The Jerusalem Post ran a feature about House Speaker Nancy Pelosi's late father, US Congressman Thomas D'Alesandro, Jr., a "Roosevelt Democrat" who broke ranks with President Franklin D. Roosevelt on the issues of rescuing Jews from Hitler and creating a Jewish state.

Ha'aretz and Hatzofe cited The Wall Street Journal as saying that Northrop Grumman Corp. plans to forge an exclusive partnership with Israel Aircraft Industries (IAI) to provide lighter, more flexible spy satellites to the US military and intelligence agencies.

Ha'aretz reported that the international transportation firm Bombardier is in advanced talks with Iscar and Cyclone Aviation Products that would make the two local companies regular suppliers for its factories worldwide. Iscar, which was bought up by American tycoon Warren Buffett last year, may supply cutting tools to Bombardier Transformation factories in Europe. The deals could be worth tens of millions of dollars.

Maariv printed the results of a TNS/Teleseker Polling Institute survey according to which 45 percent of Israelis support the release of Palestinian prisoners who murdered Israelis -- as part of a wider release of Palestinian detainees -- in exchange for Shalit's release; 36.5 percent are opposed; 18.6 percent are undecided.

Mideast:

Summary:

Senior columnist and chief defense commentator Zeev Schiff wrote on page one of the independent, left-leaning Ha'aretz: "A release of prisoners in stages will ensure that [Hamas's] commitment [to freeing IDF Cpl. Gild Shalit and maintaining a general cease-fire] is upheld."

Senior columnist Haggai Huberman wrote in the nationalist, Orthodox Hatzofe: "The very fact that the release of terrorists in exchange for the kidnapped soldier is being negotiated at all is moral bankruptcy."

Block Quotes:

II. "Release Them in Stages"

Senior columnist and chief defense commentator Zeev Schiff wrote on page one of the independent, left-leaning Ha'aretz (4/12): "Once again in the history of the Israeli-Palestinian conflict, Israel is faced with the question of whether to cross the red line in the hard war against terrorism.... The list of prisoners presented to Israel is extreme in its demands. It is clear that Israel will have to cross certain lines in this deal, and the question is how to bring Shalit back without undermining certain criteria of the war on terrorism. Israel has no choice but to negotiate with Hamas, even through Egyptian mediation.... Hamas has a twin interest in the release of the prisoners: shocking Israeli public opinion and bolstering its position among the Palestinians. Israel's surrender to Hamas on the matter of the prisoners' list will seriously

undermine its deterrent in the war against terrorism and will bolster terrorist groups. The lesson to terrorists is that acts against Israel are risky, but that they stand a chance of avoiding punishment a few years later.... There is no way to avoid negotiating with Hamas for the release of Shalit, despite the continuing war. The members of [Israel's] National Security Council are right in their claim that the current deal needs to be part of a broader effort. For example, not only exchange of Shalit for these prisoners but also the commitment of the Hamas government to impose the cease-fire on all the Palestinian groups. A release of prisoners in stages will ensure that this commitment is upheld."

II. "No to the Shalit Deal"

Senior columnist Haggai Huberman wrote in the nationalist, Orthodox Hatzofe (4/12): "Prime Minister Ehud Olmert deserves our praise for having rejected the list of prisoners that Hamas submitted with a demand that they be released in exchange for Gilad Shalit. The difficult problem is not the list of prisoners but the very fact that the release of terrorists is being negotiated in exchange for the kidnapped soldier. The following is likely to be very unpopular, but it is something that needs to be said: the very fact that the release of terrorists in exchange for the kidnapped soldier is being negotiated at all is moral bankruptcy. It damages and weakens the State of Israel and the terrorists are given a valuable lesson: Kidnapping soldiers pays.... The [1985] Jibril [prisoner-swap] deal served within two years as the fuel for the Intifada. The Intifada created an irreversible reality in Judea and Samaria [i.e. the West Bank]: the masses of Israel stayed away from those parts of the Land of Israel. That reality, the aloofness and alienation that was shown by the masses of the Jewish people to Judea, Samaria, and Gaza, prepared the emotional groundwork for trading them for a political agreement and prepared the ground for the acceptance of the terrible Oslo Accords, which established a terrorist Palestinian Authority in the heart of the Land of Israel and ended with 1,500 Israelis dead."

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